GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4315
ANSWERED ON:15.12.2000
AMOUNT DEPOSITED IN PUBLIC SECTOR BANKS IN BIHAR
RAJO SINGH

Will the Minister of FINANCE be pleased to state:

(a) whether three-fourth of the amount deposited in Public Sector Banks in Bihar are diverted to other States;

(b) if so, the reasons therefor;

(c) whether it has been causing harm to the development of Bihar State;

(d) if so, the steps taken or proposed to be taken by the Government in this regard; and

(e) the amount of loan sanctioned and actually disbursed by these banks to farmers during the last three years?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATH) :

(a) and (b) Credit deposit ratio of scheduled commerciai banks in Bihar as on the iast Friday of March, 2000 is 22.5 per cent. In addition to bank credit, commercial banks also deploy funds as investment in a State out of the deposits mobilized locally. The credit plus investment to deposit ratio of scheduled commercial banks in Bihar as on March 31, 1999 stood at 40.9 per cent.

(c) and (d) The credit flow in a State/Region depends upon various factors like availabilityof adequate infrastructural facilities, credit absorption capacity of the region, development of medium and large industries, properly developed marketing facilities, conducive atmosphere for investment, entrepreneurial initiatives, law and order situation in the region, satisfactory recovery position of the bank dues etc. Banks have been taking steps for improving the flow of credit in Bihar and a special Task Force on industry related problems in the State and a sub-committee on the operational problems of stepping up credit flow were set up. Both the committees have submitted their report and the progress in implementation of the recommendations made by the above committees are being monitored in the State level Bankers` Committee meetings from time to time.

(e) The amount of loan disbursed to agriculture by public sector banks in Bihar under special agricultural credit plan were Rs. 286.62 crore in the year 1997-98, Rs. 308.03 crore in the year 1998-99 and Rs. 309.40 crore in the year 1999-2000.